
State:	District of Columbia	Filing Company:	Fidelity Security Life Insurance Company
TOI/Sub-TOI:	H20G Group Health - Vision/H20G.000 Health - Vision		
Product Name:	Group Vision Insurance		
Project Name/Number:	Group Vision Insurance/R-03005		

Filing at a Glance

Company:	Fidelity Security Life Insurance Company
Product Name:	Group Vision Insurance
State:	District of Columbia
TOI:	H20G Group Health - Vision
Sub-TOI:	H20G.000 Health - Vision
Filing Type:	Rate
Date Submitted:	01/22/2014
SERFF Tr Num:	FDLT-129342964
SERFF Status:	Pending State Action
State Tr Num:	
State Status:	
Co Tr Num:	R-03005 - RATE
Implementation	On Approval
Date Requested:	
Author(s):	Jennifer Glaser, Kelly Humiston, Teresa Saling, Danielle Menzel, Philip Kostelac
Reviewer(s):	Darniece Shirley (primary), Alula Selassie, Donghan Xu
Disposition Date:	
Disposition Status:	
Implementation Date:	
State Filing Description:	

State: District of Columbia
TOI/Sub-TOI: H2OG Group Health - Vision/H2OG.000 Health - Vision
Product Name: Group Vision Insurance
Project Name/Number: Group Vision Insurance/R-03005

Filing Company: Fidelity Security Life Insurance Company

General Information

Project Name: Group Vision Insurance
Project Number: R-03005
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Group Market Type: Employer, Association, Trust
Filing Status Changed: 01/28/2014
State Status Changed:
Created By: Jennifer Glaser
Corresponding Filing Tracking Number: FDLT-129097217

Status of Filing in Domicile: Authorized
Date Approved in Domicile: 07/29/2013
Domicile Status Comments:
Market Type: Group
Group Market Size: Small and Large
Overall Rate Impact:

Deemer Date:
Submitted By: Philip Kostelac

Filing Description:

Fidelity Security Life Insurance Company
NAIC #71870 FEIN #43-0949844
Group Vision Insurance
Rates and Actuarial Memorandum for R-03005DC, et al

We respectfully submit the above referenced Rates and Actuarial Memorandum for use with forms R-03005DC, et al filed under corresponding SERFF filing #FDLT-129097217.

The current status of the Form filing under SERFF filing #FDLT-129097217 is Closed/Withdrawn 8/28/13 with a note from Colin Johnson, which states: "NO NEED TO RESPOND. I have reviewed this form filing and can only approve this form filing after your corresponding rate filing is approved. I may withdraw this filing in the near future due to my time standard to approve filings. After the corresponding rate filing has been approved, please contact me at 202-442-7796 to request to reopen your form filing if this filing is withdrawn."

Also, as discussed with Colin Johnson, this filing includes the following:

- 1) Actuarial Memorandum and Rate Exhibit/Manual (attached to the Rate/Rule Schedule tab); and
- 3) Calculations of how the premiums are derived (in Excel and attached to the Supporting Documentation tab.)

If you have questions or need additional information, please do not hesitate to contact me at 1-800-648-8624 (extension 1143) or e-mail me at jglaser@fslins.com.

Company and Contact

Filing Contact Information

Jennifer Glaser, Sr. Contract Analyst
3130 Broadway
Kansas City, MO 64111-2406

jglaser@fslins.com
800-648-8624 [Phone] 1143 [Ext]
816-968-0503 [FAX]

State: District of Columbia

Filing Company: Fidelity Security Life Insurance Company

TOI/Sub-TOI: H20G Group Health - Vision/H20G.000 Health - Vision

Product Name: Group Vision Insurance

Project Name/Number: Group Vision Insurance/R-03005

Filing Company InformationFidelity Security Life Insurance
Company

3130 Broadway

Kansas City, MO 64111-2406

(800) 648-8624 ext. [Phone]

CoCode: 71870

Group Code: 451

Group Name:

FEIN Number: 43-0949844

State of Domicile: Missouri

Company Type: Life & Health

State ID Number:

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State:	District of Columbia	Filing Company:	Fidelity Security Life Insurance Company
TOI/Sub-TOI:	H20G Group Health - Vision/H20G.000 Health - Vision		
Product Name:	Group Vision Insurance		
Project Name/Number:	Group Vision Insurance/R-03005		

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		FSL group vision act memo DC 1-20-14	R-03005DC, A-01157, A-01158, M-9059DC, C-9059DC(08/13), M-9069DC, C-9069DC(08/13)	New		FSL group vision act memo DC _1-20-14_.pdf,

FIDELITY SECURITY LIFE INSURANCE COMPANY

Group Vision Policy

Actuarial Memorandum

Form Number: M-9059/M-9069

Scope and Purpose of Filing

The purpose of this actuarial memorandum is to describe the benefits, assumptions, rating factors and methods for the attached group Vision Policy, and to certify that this form is in compliance with applicable laws and regulations. This memorandum is not intended to be used for any other purpose.

Description of Benefits

This is a new filing. This form is designed to provide Vision insurance benefits to insureds and their dependents. Benefits include reimbursement of expenses incurred for covered vision expenses, up to the amounts specified in the Policy, and subject to the benefit frequency limits and copayments specified in the Policy. Benefits vary as defined in the Policy depending on whether or not the insured uses a participating provider (in network) or a non-participating provider (out of network).

Renewability Clause

This is an Annually Renewable Term Vision policy form.

Morbidity

The utilization rates assumed in the pricing of this Policy are based on industry experience under group vision policy forms. These utilization rates are then multiplied by the appropriate benefits payable under the Policy after adjustment for any applicable copays. These calculations are made separately for adults and children and for in network and out of network benefits. The results are then combined for in network and out of network benefits to develop adult and child claim costs. The claim costs are divided by the target loss ratio to derive adult and child premium rates. The adult and child premium rates are then combined appropriately to produce the final premiums for each rate tier (single, family, etc.) A sample rate calculation for a standard benefit plan using the assumed utilization rates is provided below in Exhibit I.

Expenses

Total anticipated expenses as a percentage of premium are as shown in the following table:

Commissions:	15.0%
Carrier Fee:	3.75%
ACA Fee:	5.0%
Premium Tax:	2.0%
Administration:	20.5%
Total Anticipated Expenses:	46.25%

Marketing Method

This form will be distributed to individuals using independent agents and brokers, internet marketing, and direct response marketing methods.

Underwriting

There will be no individual underwriting for this Policy; all coverage will be guaranteed issue.

Premium Classes

This form has only one premium class for each benefit plan design. The benefit plan designs vary by the selected co-pays and benefit periods. Premiums also vary by the tier structure (number of dependents).

Issue Age Range

This form can be issued to all ages.

Area Factors

There are no area rating factors for this Policy.

Average Annual Premium

The average annual premiums are as follows:

Single	\$ 85.88
Family	\$210.27

Premium Modalization Factors

There are no premium modalization factors. Monthly premiums are 1/12 of annual premiums; quarterly premiums are 1/4 of annual premiums; and semi-annual premiums are 1/2 of annual premiums.

Claim Liability and Reserves

An incurred but not reported claim reserve will be set up for this form. This reserve will be estimated based on the previous 12 months' claims lag data (claims by incurral month and by paid month). There will be no policy reserves for this form.

Trend Assumptions

The primary driver of the trend increase for this product is the increase in the in-network fee schedule for participating providers. This annual increase, and the resulting trend increase, is currently projected to be 3% annually, and is not expected to exceed 5% annually.

Anticipated Lifetime Loss Ratio

The anticipated loss ratio for this form is 50.0%. The loss ratio does not vary by duration therefore there is no requirement for interest or persistency assumptions.

Contingency and Risk Margins

This form includes a contingency and risk margin as a percentage of premium which is sufficient to meet the Company's return on investment target with respect to the required Risk-based Capital to be held. This contingency and risk margin is 3.75%.

Proposed Effective Date

This form will become effective immediately upon approval by the Department of Insurance.

Actuarial Certification

I, James T. Helton III, am a Fellow of the Society of Actuaries, and a Member of the American Academy of Actuaries. I meet the standards of qualification required to provide this certification as defined in *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States*. I certify that to the best of my knowledge and judgment this filing is in compliance with the applicable laws of this state and with the rules of the Department of Insurance, and complies with Actuarial Standards of Practice No. 8, "Regulatory Filings for Health Plan Entities" as adopted by the Actuarial Standards Board. I also certify that the proposed premium rates are actuarially sound in aggregate for the individual market segment; the premiums are neither excessive, inadequate, nor unfairly discriminatory; and the benefits provided under this Policy are reasonable in relation to the premiums charged.



James T. Helton III, FSA, MAAA

Consulting Actuary

January 20, 2014

	EXHIBIT I				
Adult Annual Claim Costs - Employer Paid					
	Utilization		Benefits		
	INN	OON	INN	OON	
Vision Exam	42.23%	47.26%	48.00	35.00	
Frames	12.14%	13.92%	35.00	45.00	
Single Vision Lenses	11.16%	12.80%	32.00	25.00	
Bifocal Lenses	3.20%	3.67%	50.00	40.00	
Trifocal Lenses	2.72%	3.12%	65.00	50.00	
Progressive Lenses	3.08%	3.53%	50.00	40.00	
Lenticular Lenses	0.13%	0.15%	65.00	80.00	
Standard Contacts	8.06%	9.24%	110.00	110.00	
Medically Necessary Contacts	0.00%	0.00%	250.00	250.00	
Lens Option Benefits	21.70%	21.70%	0.00	0.00	
Exam Copay			10	0	
Frames / Lenses Copay			25	0	
Contacts Copay			25	0	
Claim Cost - Exam			16.05	16.54	
Claim Cost - Frames, Lenses & Options			9.78	14.02	
Claims Cost - Contacts			6.85	10.17	
INN & OON Utilization			95%	5%	100%
Final Claim Cost - Exam			15.24	0.83	16.07
Final Claim Cost - Frames, Lenses & Options			9.29	0.70	9.99
Final Claim Costs - Contacts			6.51	0.51	7.02
Final Claim Costs - Total					33.08
Target Loss Ratio		50.0%			
Annual Premium					66.16

State:	<i>District of Columbia</i>	Filing Company:	<i>Fidelity Security Life Insurance Company</i>
TOI/Sub-TOI:	<i>H20G Group Health - Vision/H20G.000 Health - Vision</i>		
Product Name:	<i>Group Vision Insurance</i>		
Project Name/Number:	<i>Group Vision Insurance/R-03005</i>		

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	See General Information tab.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	See Rate/Rule Schedule tab.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	See Rate/Rule Schedule tab.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

State:	<i>District of Columbia</i>	Filing Company:	<i>Fidelity Security Life Insurance Company</i>
TOI/Sub-TOI:	<i>H20G Group Health - Vision/H20G.000 Health - Vision</i>		
Product Name:	<i>Group Vision Insurance</i>		
Project Name/Number:	<i>Group Vision Insurance/R-03005</i>		

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Vision Rate Calculation
Comments:	See attached.
Attachment(s):	FSL-group vision calc 1-20-14.xlsx
Item Status:	
Status Date:	

SERFF Tracking #:	<i>FDLT-129342964</i>	State Tracking #:		Company Tracking #:	<i>R-03005 - RATE</i>
State:	<i>District of Columbia</i>	Filing Company:		<i>Fidelity Security Life Insurance Company</i>	
TOI/Sub-TOI:	<i>H20G Group Health - Vision/H20G.000 Health - Vision</i>				
Product Name:	<i>Group Vision Insurance</i>				
Project Name/Number:	<i>Group Vision Insurance/R-03005</i>				

Attachment FSL-group vision calc 1-20-14.xlsx is not a PDF document and cannot be reproduced here.